

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE MIDDLE DISTRICT OF PENNSYLVANIA**

In re:)	
)	
NUWELD, INC.,)	Chapter 11
)	
Debtor.)	Case No.: 4:16-02115-JJT
)	

**OBJECTION OF CATERPILLAR FINANCIAL SERVICES CORPORATION TO
DEBTOR’S DISCLOSURE STATEMENT ACCOMPANYING PLAN DATED
SEPTEMBER 20, 2017**

Caterpillar Financial Services Corporation (“CAT Financial”), by and through its undersigned counsel, files this Objection to Debtor’s Disclosure Statement Accompanying Plan dated September 20, 2017 (Dkt. 200), and in support thereof states as follows:

1. On May 18, 2016 (the "Petition Date") NuWeld, Inc. (the "Debtor") filed a voluntary petition for relief under chapter 11 of title 11 of the United States Code, 11 U.S.C. § 101 *et seq.* (the "Bankruptcy Code").
2. On August 1, 2016, CAT Financial filed its Proof of Claim (Claim 41) (“Proof of Claim”) asserting a fully secured claim against the Debtor.
3. As set forth more fully in its Proof of Claim, CAT Financial’s claim is secured by the following equipment:

Unit	Serial Number
315DL Small Hydraulic Excavator	JGS00385
315DL Small Hydraulic Excavator	JGS00482
315DL Small Hydraulic Excavator	JGS00486
315DL Small Hydraulic Excavator	JGS00440
315DL Small Hydraulic Excavator	JGS00441

Unit	Serial Number
315DL Small Hydraulic Excavator	JGS00459
315DL Small Hydraulic Excavator	JGS00417
279C Compact Track Loader	MBT01345

4. On or about September 25, 2017 the Debtor filed its proposed Disclosure Statement (“Dkt No. 200) and Plan of Reorganization (Dkt. 199).

5. The Plan purports to pay CAT Financial’s claim over a period of sixty (60) months together with interest at a rate of 7.45% *per annum*, with a monthly payment of \$3,525.72.

6. The Disclosure Statement and Plan are incorrect, misleading, and do not provide adequate information with respect to the treatment of CAT Financial in the following respects:

- a. The budget attached to the Disclosure Statement reflects a lower payment to CAT Financial (\$2,936) that the proposed payment in Section 4.4 of the Disclosure Statement and Section 4.4 of the Plan;
- b. The Disclosure Statement states that CAT Financial is secured by five (5) hydraulic excavators. As set forth in the Proof of Claim, CAT Financial’s claim is secured by seven (7) hydraulic excavators and a one (1) track loader;
- c. The Disclosure Statement does not provide that CAT Financial is entitled to payment of post-petition amounts recoverable under Section 506(b) of the Bankruptcy Code as an over-secured creditor; and

d. The Disclosure Statement and Plan do not provide that any additional amounts due and owing to CAT Financial not otherwise paid through the monthly amortized payments must be paid at the end of the term.

7. Moreover, the treatment of CAT Financial as proposed in the Plan is deficient because, among other reasons, the sixty (60) month term is excessive in comparison to the few scheduled payments remaining as of the Petition Date. CAT Financial reserves the right to file objections to the Plan at the appropriate time, in its discretion.

8. CAT Financial has raised these issues with counsel for the Debtors and the parties have been and will continue to work toward a consensual resolution. Therefore, CAT Financial is filing this objection in an abundance of caution while discussions are ongoing.

WHEREFORE, CAT Financial respectfully requests that this honorable Court deny approval of the Disclosure Statement unless the deficiencies raised herein are remedied, together with such other and further relief as is just and proper.

Respectfully submitted,

BUCHANAN INGERSOLL & ROONEY PC

Dated: October 30, 2017

/s/ Peter S. Russ
Peter S. Russ, Esquire
Pa. I.D. No.: 58284
One Oxford Centre
301 Grant St., 20th floor
Pittsburgh, PA 15219
(412) 562-8800
*Attorneys for Caterpillar
Financial Services Corporation*